EMPLOYEE BENEFITS

- **1. REASON FOR ISSUE:** To revise Department of Veterans Affairs (VA) procedures regarding the Child Care Subsidy Program.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES: This handbook contains mandatory VA procedures on the provision of employee benefit program information. This revision clarifies that employees must utilize child care providers who are licensed in the state or location in which they operate in order to participate in the VA Child Care Subsidy Program. An updated documentation checklist is also provided. The pages in this issuance replace the corresponding page numbers in VA Handbook 5009. Revised text is contained in [brackets]. This change will be incorporated into the electronic version of VA Handbook 5009 that is maintained on the Office of Human Resources Management Web site.
- **3. RESPONSIBLE OFFICE:** Worklife and Benefits Service (058), Office of the Deputy Assistant Secretary for Human Resources Management.
- **4. RELATED DIRECTIVE:** VA Directive 5009, Employee Benefits.
- 5. **RESCISSIONS:** None.

CERTIFIED BY:

BY DIRECTION OF THE SECRETARY OF VETERANS AFFAIRS:

/s/ Roger W. Baker Assistant Secretary for Information and Technology /s/
John U. Sepúlveda
Assistant Secretary for
Human Resources and Administration

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EMPLOYEE BENEFITS

PART I. VA CHILD CARE SUBSIDY PROGRAM

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- f. **Program Administrator**. The official designated by the DAS for OHRM with the responsibility for program administration and for ensuring that the VA Child Care Subsidy Program complies with Office of Personnel Management (OPM) regulations and VA policy.
 - g. **Program Year.** The 12-month period beginning on January 1 and ending on December 31.
- h. **Qualifying Child.** Child(ren) of an employee from birth through the age of 13 and child(ren) with disabilities through the age of 18.
- i. [Qualified Child Care Center. A qualified child care center and qualified day care center are used interchangeably and are centers that:
- (1) Comply with all applicable laws and regulations of the state and town, city or village in which it is located;
- (2) Are licensed to provide child care services in the state or location in which the child care center operates;
- (3) Provide care for more than six individuals (other than individuals who reside at the child care center); and
- (3) Receive a fee, payment or grant for services for any of the individuals to whom it provides services (regardless of whether the facility is operated for a profit).

i.] Qualified Provider

- (1) [A qualified child care center] or individual [licensed in the state or location in which they operate to provide] child care services [] in a center-based child care or family child care home providing any of the following:
 - (a) All-day care;
 - (b) Before and after school care;
 - (c) Before school care; or
 - (d) After school care.
- [(2)] Parents who provide child care service for their own child(ren) as defined under the definition of child are not considered to be qualified providers under the VA Child Care Subsidy Program.

k. [Qualifying Services

- (1) Qualifying services are services:
- (a) Performed outside the home of the participant, or at a qualifying child care center, or licensed family child care home for the care of a qualifying child or qualifying dependent of the participant.

- (b) Performed to enable the participant and participant's spouse to remain gainfully employed; and
- (c) Performed for the primary purpose of assuring the qualifying child's or qualifying dependent's well being and protection.
- (2) Qualifying services do not include services performed at a camp where the qualifying child stays overnight.
- 1.] **Spouse.** The husband or wife of an employee. Individuals who are legally separated are still considered to have a spouse.
- [m.] **Total Family Income.** The employee's (and spouse's, if applicable) adjusted gross income reported on Internal Revenue Service Form 1040 or 1040A.
- [n.] VA Child Care Subsidy Program. The program that authorizes the expenditure of VA funds to assist lower income VA employees with their child care costs, including such activities as: determining which employees may receive a subsidy and the amount of the subsidy; distributing VA funds to qualified providers; and tracking and reporting information such as total cost and employee use of the program to OPM.

5. CHILD CARE PROVIDERS

- a. Child care providers must be licensed [to provide child care services in the state or location in which they operate].
 - b. Coverage applies to child care providers in the United States and in overseas locations.
- c. Some foreign countries and localities have their own set of regulations for child care. If a country or locality requires that child care be regulated, local licensure or proxy for licensure may be accepted. If foreign countries and localities do not regulate child care, contact OHRM Worklife and Benefits Service for guidance. VA may choose to pay the employee directly if the provider deals only in foreign currency. In unique circumstances, VA may obtain written permission from OPM to pay the subsidy directly to the employee.
- d. Employees may choose among accredited and non-accredited [licensed] child care providers to ensure the widest possible choices in child care providers.
- e. Subsidy payments are made directly to the child care provider unless an exception is granted under subparagraph c above for an overseas location.

6. ELIGIBILITY

- a. **Eligibility.** Full-time and part-time VA employees are eligible to participate if:
- (1) The TFI is within threshold provided on the VA Child Care Subsidy Program Web site; and

(2) The child care provider is licensed [to provide child care services in the state or location in which they operate].

b. Exclusions

- (1) VA employees whose TFI exceeds the VA threshold are not eligible to participate in the program.
- (2) A subsidy cannot be awarded by more than one Federal agency. When more than one parent works for the Federal government, only one parent may receive the subsidy.
- [(3) The benefits from the VA Child Care Subsidy Program will be reduced by the amount of other state or local child care subsidies received by the participant. Employees are responsible for determining whether acceptance of the VA child care subsidy benefit affects their eligibility for child care subsidies from any other source.]

7. PARTICIPATION DETERMINATIONS

a. General

- (1) Approval to participate in the VA Child Care Subsidy Program does not constitute a financial arrangement with the employee or the employee's child care provider(s). Employees are responsible for the payment of their total child care costs.
- (2) The employee's (and spouse's, if applicable) TFI will be used to determine the percentage of total child care costs paid by VA. Waivers will not be approved to reduce the TFI for any reason. [] If an employee disputes the [percentage for payment] determination, the ADAS for OHRM will be the ultimate determining authority in resolving the issue.
- (3) VA may change the maximum monthly subsidy amount and/or the percentage of total child care costs paid by VA at any time. VA will provide at least 30 days advance notification to employees prior to changing the monthly subsidy amounts and/or percentages.

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Department of Veterans Affairs						
CHILD CARE SUBS	IDY PRO	GRAM DOCUMEN	ITATIC	N CHECK	KLIST	
IAME OF EMPLOYEE	NAME OF STATE	ON		STATION NO.	DATE	
Joe E. Smith	New York	VA Medical Center		222	9/28	3/10
NAME OF HUMAN RESOURCES SPECIALIST COMPLETIN	IG THIS FORM	OFFICE TELEPHONE NUMBER	E-MAIL ADD	RESS		
John Jones		(222) 222-2222	J.Jone	es@va.gov		
INSTRUCTIONS: Complete the checklist "VERIFIED" column. All required informati Service. Applications that are not fully con returned to the applicant through the submemployee's Application Package for your reco	on must be rec pleted or do n nitting Human	eived before the application to the contain the information	package i listed bel	s forwarded to ow will not be	Worklife a processed	nd Benefits and will be
INFORM	ATION REQUIR	ED FROM EMPLOYEE	A			VERIFIED
VA FORM 0730a, CHILD CARE SUBSIDY APPLICA	TION			_		х
• SECTION I, PARENT/GUARDIAN INFORMATIO	N - ALL REQUI	RED INFORMATION FIELDS CO	MPLETED			х
• SECTION II, CHILD INFORMATION - ALL REQU	JIRED INFORMA	ATION FIELDS COMPLETED				х
- THE EMPLOYEE INDICATES RECEIPT OF	ANOTHER SUB	SIDY; THE AMOUNT INDICATE	D IS THE S	AME ON VA FOR	RM 0730b	х
- THE WEEKLY CHILD CARE COST IS THE	SAME AMOUNT	INDICATED ON VA FORM 073	Ob .			х
SECTION III, SIGNATURE AND CERTIFICATIO COMPLETED	N OF PARENT/L	EGAL GUARDIAN - ALL REQU	IRED INFO	RMATION FIELD	s	х
/A FORM 0730b, CHILD CARE PROVIDER INFORM	MATION					х
• PART I, PARENT INFORMATION - ALL REQUIR	RED INFORMAT	ION FIELDS COMPLETED				х
• PART II, PROVIDER INFORMATION - ALL REQ	UIRED INFORM	ATION FIELDS COMPLETED				х
• PART III, CHILD INFORMATION - ALL REQUIR	ED INFORMATION	ON FIELDS COMPLETED				х
- THE EMPLOYEE INDICATES RECEIPT OF	ANOTHER SUB	SIDY; THE AMOUNT INDICATE	D IS THE S	AME ON VA FOR	RM 0730a	х
- THE WEEKLY CHILD CARE COST IS THE S	SAME AMOUNT	INDICATED ON VA FORM 0730)a			х
PART IV, CERTIFICATION AND SIGNATURE O	F PROVIDER - /	ALL REQUIRED INFORMATION	FIELDS CO	OMPLETED		х
• FORM 0730b IS INCLUDED FOR EACH CHILD	CARE PROVIDE	iR .				х
CERTIFIED COPY OF BIRTH CERTIFICATES FOR	EACH CHILD			II I		х
COPY OF LAST TWO (2) EARNINGS AND LEAVE S	TATEMENTS O	R COPY OF APPOINTMENT LE	TTER			х
CHILD(REN) ADOPTED, COPY OF ADOPTION	DECREE					
• EMPLOYEE IS THE FOSTER PARENT OR LEG	AL GUARDIAN,	COPY OF DESIGNATION OF L	EGAL GUA	RDIANSHIP		
COPY OF EMPLOYEE'S MOST RECENT FEDERAL	TAX RETURN(S	S) (IRS Form 1040)				х
EMPLOYEE SIGNED AND DATED TAX RETUR			eturn)			Х
• EMPLOYEE AND SPOUSE FILED SEPARATE 1				D RETURN INCL	UDED	
COPY OF MOST RECENT W-2(S) (Also for spouse if a						x
EMPLOYEE AND/OR EMPLOYEE'S SPOUSE A		NEMPLOYMENT DURING THE	TAX VEAD			
	A TIDAVIT OF U	TEM LOTHIENT DONNO THE	TAX TEAR			Х
F 50, NOTICE OF PERSONNEL ACTION		es VA Form 0730d, FEB 2008,				reCycle Design

VA FORM 0730d

Supersedes VA Form 0730d, FEB 2008, which will not be used.

Adobe LiveCycle Designer

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INFORMATION REQUIRED FROM CHILD CARE PROVIDER	
COPY OF CURRENT CHILD CARE LICENSE PROVIDED	х
COPY OF WRITTEN SCHEDULE OF FEES FOR SERVICES PROVIDED	х
COMMENTS	
¥	
. "	
I CERTIFY THAT THE EMPLOYEE'S APPLICATION PACKAGE IS COMPLETE - SIGNATURE OF HUMAN RESOURCES SPECIALIST DATE	
John Jones 10/10/2010	
0 0	
Send completed Application Package to: Department of Veterans Affairs	
Worklife and Benefits Service (058)	
810 Vermont Ave., NW Washington, DC 20420	
Washington, 20 20120	
VA FORM OTTO A HILLY 2010 and a	